



North Shelby Water Company

PO Box 97
Bagdad, KY 40003
(502) 747-8942

RECEIVED

MAY 10 2004

PUBLIC SERVICE
COMMISSION

May 6, 2004

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Case 2004-00169

To the COMMISSION:

The North Shelby Water Company respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067 Purchased Water Adjustment clause.

The District has been told by its supplier, Louisville Water Company, that a \$0.14 per 1,000 gallon increase will take effect May 1, 2004. The Company purchased 210,242,000 gallons from March 1, 2003 to February 29, 2004 from Louisville Water Company, out of a total purchase of 406,455,000 gallons. The result of the new rate is an increase of \$29,433.88 or \$0.09 per 1,000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B. Copy of Wholesale Tariff
- Exhibit C. Statement of Water Purchased
- Exhibit D. Statement of Water Sold
- Exhibit E. Notice to Customers
- Exhibit G. Tariff Sheet

If you have any questions, please contact Warner Broughman at (859) 271-1778, as he is handling this matter.

Yours truly,

Duncan LeCompte, President

DL:pac

Encl.

PURCHASED WATER RATE ADJUSTMENT

Pursuant to KRS 278.012 and 278.015

North Shelby Water Company

(Name of Utility)

P.O. Box 97

Bagdad, KY 40003

(Business Mailing Address)

May 6, 2004

(Date)

(502) 747-8942

(Telephone Number)

1. (a) Names of all wholesale suppliers and the base rate and changed rate of each.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
(1) <u>Shelbyville</u>	<u>\$1.37</u> per 1,000 gallons	<u>\$ no change</u> per 1,000 gallons
(2) <u>Frankfort</u>	<u>\$1.313</u>	<u>\$ no change</u>
(3) <u>Louisville Water Co.</u>	<u>\$1.35</u>	<u>\$1.49</u>
(4) <u>West Shelby W.D.</u>	<u>\$3.49</u>	<u>\$ no change</u>

(b) A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit B.

2. Twelve-month Period Upon Which Purchased Water Adjustment is Based

From March 2003 through February 2004
Month & Year Month & Year

3. Statement of Water Purchases

<u>Supplier's Name</u>	<u>Gallons Purchased</u>
	<u>Meter No. 1</u>
(1) <u>Shelbyville</u>	<u>19,768,200</u>
(2) <u>Frankfort</u>	<u>176,395,000</u>
(3) <u>Louisville Waer Co.</u>	<u>210,242,000</u>
(4) <u>West Shelby W.D.</u>	<u>49,800</u>
	<u>406,455,000</u>

4. Total Sales for the 12-Months 343,385.8 gallons

5. Purchased Water Adjustment Factor 0.09 per gallon.

Increased Purchase Cost $210,242 \times 0.14 = 29,433.88$

Unit Price Calculation

Increase 29,433.88 = .086 SAY .09/ 1,000 Gallons
Water Sold 343,385.8

NOTE: Revised tariff sheets must be attached showing rates to be charged by the utility and the effective date of such increased rates.

EXHIBIT A

LOUISVILLE WATER COMPANY
 550 SOUTH THIRD STREET
 LOUISVILLE, KY 40202

P.S.C KY. NO. 1
 FIRST REVISED SHEET NO. 5
 CANCELING P.S.C. KY. 1
 ORIGINAL SHEET NO. 5

RATE SCHEDULE

APPLICABLE: NORTH SHELBY WATER COMPANY

AVAILABILITY: UTILITIES PURCHASING WATER FOR RESALE

RATES: 6.02.01 The service charge for classes of customers taking metered service shall be charged in accordance with the following schedule:

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<u>Meter Size</u>	<u>Service Charge</u> <u>Monthly Bill</u>	
5/8"x3/4"	\$ 4.75	
1"	\$ 12.00	T, I
1 1/2"	\$ 23.75	T, I
2"	\$ 38.00	T, I
3"	\$ 83.25	T, I
4"	\$ 142.50	T, I
6"	\$ 332.50	T, I
8"	\$ 593.75	T, I
10"	\$ 902.50	T, I
12"	\$ 1,377.50	T, I
16"	\$ 2,731.25	T, I

DATE OF ISSUE 3-12-2004 DATE EFFECTIVE 5-1-2004

ISSUED BY: Robert K. Miller VICE PRESIDENT AND TREASURER
 ROBERT K. MILLER

LOUISVILLE WATER COMPANY
 550 SOUTH THIRD STREET
 LOUISVILLE, KY 40202

P.S.C KY. NO. 1
 FIRST REVISED SHEET NO. 6
 CANCELING P.S.C. KY. 1
 ORIGINAL SHEET NO. 6

RATE SCHEDULE (continued)

6.02.03 ELEVATED SERVICE AREA SURCHARGE T

ALL CUSTOMERS SHALL PAY A SURCHARGE OF \$. 22 PER THOUSAND GALLONS IF WATER MUST BE DELIVERED AT A HIGHER ELEVATION THAN THE GENERAL PRESSURE PLANE SERVED BY THE CRESCENT HILL/CARDINAL HILL SYSTEM. I

6.03 WHOLESALE CUSTOMERS T
 Wholesale customers which purchase water for resale shall be charged: \$1.27 per thousand gallons for all water purchased, the elevated service area surcharge specified in Rule 6.02.3, if applicable, and the service charge specified in Rule 6.02.1 T, I
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MINIMUM CHARGE: N/A

DELAY CHARGE: IN THE EVENT THAT PAYMENT FOR ANY CHARGE IS NOT MADE WITHIN TWENTY (20) DAYS FROM THE BILLING DATE, THE NEXT AMOUNT OF THE BILL SHALL BE INCREASED BY 5% AND THE GROSS AMOUNT THUS DETERMINED MUST BE PAID. ONE LATE PAYMENT WILL BE ACCEPTED EVERY TWELVE (12) BILLING PERIODS AT NET AMOUNT IF THE BILL IS PAID BEFORE THE NEXT BILLING DATE.

TERM: THE AGREEMENT SHALL HAVE A TERM OF 42 YEARS FROM DECEMBER 15, 2000, WHICH TERM SHALL AUTOMATICALLY EXTEND FOR ONE ADDITIONAL YEAR AT EACH ANNIVERSARY. EITHER PARTY MAY GIVE NOTICE TO THE OTHER PARTY PRIOR TO THE ANNIVERSARY THAT THE TERM SHALL NOT BE AUTOMATICALLY EXTENDED. T
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DATE OF ISSUE 3-12-2004 DATE EFFECTIVE 5-1-2004

ISSUED BY: Robert K. Miller VICE PRESIDENT AND TREASURER
 ROBERT K. MILLER

**NORTH SHELBY WATER COMPANY
STATEMENT OF PURCHASED WATER**

March 2003 - February 2004

	Louisville Water		Frankfort Plant Board		Shelbyville Municipal		West Shelby W.D.		Total Gallons	
	Gallons	Cost	Gallons	Cost	Gallons	Cost	Gallons	Cost	Purchased	
Mar 03	20,275,000	\$27,841.53	16,608,000	\$24,380.54	901,800	\$1,352.70	500.00	\$135.02	37,785,300.00	
Apr	19,515,000	\$26,820.63	14,584,000	\$21,409.31	171,700	\$257.55	900.00	\$135.02	34,271,600.00	
May	16,630,000	\$22,919.40	14,725,000	\$21,616.30	106,600	\$159.90	1,800.00	\$135.02	31,463,400.00	
Jun	8,402,000	\$29,024.10	14,652,000	\$21,509.14	18,400	\$27.60	2,800.00	\$135.02	23,075,200.00	
Jul	24,131,000	\$33,045.75	15,583,000	\$22,582.24	17,900	\$26.85	25,200.00	\$135.02	24,028,100.00	
Aug	18,287,000	\$25,156.67	15,853,000	\$23,272.20	1,506,600	\$2,259.90	6,000.00	\$135.02	41,496,600.00	
Sep	18,992,000	\$26,109.32	15,172,000	\$23,396.48	3,408,000	\$5,118.00	2,300.00	\$135.02	36,869,300.00	
Oct	18,870,000	\$26,005.92	16,217,000	\$23,806.56	3,413,500	\$5,120.25	2,000.00	\$135.02	38,624,500.00	
Nov	13,383,000	\$18,478.94	12,115,000	\$20,084.39	2,520,400	\$3,780.60	900.00	\$135.02	33,506,300.00	
Dec	15,208,000	\$20,999.70	13,952,000	\$20,481.54	2,649,300	\$3,973.95	300.00	\$135.02	29,984,600.00	
Jan 04	19,698,000	\$26,745.30	13,094,000	\$19,221.99	2,470,600	\$3,705.90	300.00	\$135.02	35,262,900.00	
Feb	16,851,000	\$23,219.18	13,840,000	\$20,317.12	2,583,400	\$3,875.10	6,800.00	\$135.02	33,281,200.00	
TOTALS	210,242,000	\$306,366.44	176,395,000	\$262,077.81	19,768,200	\$29,658.30	49,800.00	\$1,620.24	406,455,000.00	

Done this 6th day of May 2004 at Bagdad, KY
Darrell Dees

Darrell Dees
Manager

EXHIBIT C

NORTH SHELBY WATER COMPANY

STATEMENT OF WATER SOLD

March 2003 - February 2004

<u>DATE</u>	<u>GALLONS SOLD</u>	<u>NUMBER OF CUSTOMERS</u>
Mar 03	27,439,400	4150
Apr	23,498,200	4167
May	29,482,100	4179
Jun	25,396,800	4206
Jul	31,473,300	4219
Aug	34,160,300	4237
Sep	32,427,900	4260
Oct	28,837,800	4269
Nov	28,038,100	4256
Dec	25,966,900	4263
Jan 04	30,255,800	4263
Feb	26,409,200	4257
TOTALS	343,385,800	50726

Done this 6th day of May 2004 at Bagdad, KY

Darrell Dees

Darrell Dees
Manager

EXHIBIT D

NOTICE

North Shelby Water Company has filed an application with the Public Service Commission for a proposed rate change for water service. The change is made necessary due to an increase in the wholesale price of water from our supplier.

The rates contained in this notice are the rates proposed by North Shelby Water Company. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

5/8 x 3/4 Inch Meter

First 2,000 gallons per month (minimum bill)	\$11.34
Next 3,000 gallons per month per 1,000 gallons	4.55
Next 5,000 gallons per month per 1,000 gallons	3.43
Next 40,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31

1 Inch Meter

First 5,000 gallons per month (minimum bill)	\$24.99
Next 5,000 gallons per month per 1,000 gallons	3.43
Next 40,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31

1-1/2 Inch Meter

First 10,000 gallons per month (minimum bill)	\$42.14
Next 40,000 gallons per month per 1,000 gallons	2.87
Over 50,000 Gallons per month per 1,000 gallons	2.31

2 Inch Meter

First 15,000 gallons per month (minimum bill)	\$56.49
Next 35,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31

3 Inch Meter

First 35,000 gallons per month (minimum bill)	\$113.89
Next 15,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31

Any corporation, association, body politic or person may by motion within thirty (30) days after publication or mailing of notice of the proposed rate changes request leave to intervene. All persons having reasons to intervene should file with the P.S.C., P.O. Box 615, Frankfort, Kentucky 40601. The application is on file at the offices for the North Shelby Water Company, 5913 Elmburg Road, Bagdad, KY and is available for examination during business hours.

EXHIBIT E

For Entire Service Area
Community, Town or City

North Shelby Water Company
P.O. Box 97
Bagdad, KY 40003

P.S.C. KY No. _____
(Sheet No.)

Canceling P.S.C. KY No. 2001-101
(Sheet No.)

CLASSIFICATION OF SERVICE

RATE PER UNIT

Rates: 5/8 x 3/4 Inch Meter

First 2,000 gallons per month (minimum bill)	\$11.34
Next 3,000 gallons per month per 1,000 gallons	4.55
Next 5,000 gallons per month per 1,000 gallons	3.43
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3 Inch Meter

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Next 15,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31

Date of Issue April 19, 2004 Date Effective June 1, 2004

Issued by *Amman Le Compt* Title: President

Issued by the authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ Dated _____

EXHIBIT G